



# भारत का राजपत्र The Gazette of India

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EXTRAORDINARY

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PART II—Section 2

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed  
as a separate compilation.

## LOK SABHA

The following Bills were introduced in Lok Sabha on 9th September, 1991:—

BILL No. 151 OF 1991

*A Bill to provide for certain immunities to persons making voluntary deposits with the National Housing Bank and for certain exemptions from direct taxes in relation to such deposits and for matters connected therewith or incidental thereto.*

WHEREAS for effective economic and social planning it is necessary to canalise for certain social objectives black money which has become a serious threat to the national economy;

AND WHEREAS with a view to such canalisation, the Central Government has decided to allow voluntary deposits being made with the National Housing Bank in accordance with a scheme to be formulated by that Bank whereunder forty per cent of the amount of such deposits will be credited to a special fund to be created for financing slum clearance and low cost housing for the poor and sixty per cent of the amount of such deposits can be utilised by the depositors for purposes specified by them;

AND WHEREAS it is expedient to provide for certain immunities and exemptions to render it possible for persons in possession of black money to make such deposits;

BE it enacted by Parliament in the Forty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Voluntary Deposits (Immunities and Exemptions) Act, 1991.

Short  
title and  
extent.

Defini-  
tions.

(2) It extends to the whole of India.

2. In this Act, unless the context otherwise requires,—

(a) “deposit” means a voluntary deposit made by any person with the National Housing Bank in accordance with the scheme on or after the commencement of this Act but before the specified date.

*Explanation.*—For the purposes of this clause, “specified date” means the 1st day of December, 1991 or such other later date as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(b) “National Housing Bank” means the National Housing Bank established under section 3 of the National Housing Bank Act, 1987; 53 of 1987.

(c) “net deposit” means sixty per cent, of the amount of deposit made by any person with the National Housing Bank in accordance with the scheme;

(d) “person” includes—

(i) an individual,

(ii) a Hindu undivided family,

(iii) a company,

(iv) a firm,

(v) an association of persons or a body of individuals, whether incorporated or not, and

(vi) every artificial juridical person, not falling within any of the preceding sub-clauses,

but does not include a local authority;

(e) “scheme” means a scheme formulated by the National Housing Bank under the National Housing Bank Act, 1987 for the purpose of enabling— 43 of 1987.

(i) any person to make deposit with that Bank;

(ii) such Bank to credit forty per cent of the amount of such deposit to a special fund created for financing slum clearance and low cost housing for the poor; and

(iii) the depositor to utilise the net deposit for any purpose specified by him;

(f) all other words and expressions used in this Act but not defined and defined in the Income-tax Act, 1961 shall have the meanings respectively assigned to them in that Act. 43 of 1961.

Immuni-  
ties.

3. (1) Notwithstanding anything contained in any other law for the time being in force,—

(a) no person, who has made a deposit with the National Housing Bank in accordance with the scheme, shall be required to disclose, for any purpose whatsoever, the nature and source of the deposit;

(b) no inquiry or investigation shall be commenced against any person under any such law on the ground that he has made the deposit;

(c) the fact that a person has made the deposit shall not be taken into account and shall be inadmissible as evidence in any proceedings relating to any offence or the imposition of any penalty under any such law.

45 of 1860.  
61 of 1985.  
28 of 1987.  
49 of 1988.

(2) Nothing in sub-section (1) shall apply in relation to prosecution for any offence punishable under Chapter IX or Chapter XVII of the Indian Penal Code, the Narcotic Drugs and Psychotropic Substances Act, 1985, the Terrorist and Disruptive Activities (Prevention) Act, 1987, the Prevention of Corruption Act, 1988 or for the purpose of enforcement of any civil liability.

4. Without prejudice to the generality of the provisions of section 3,—

Deposit  
not to be  
taken  
into  
account  
in certain  
cases.

43 of 1961.

(a) the deposit shall not be taken into account for the purpose of any proceeding under the Income-tax Act, 1961 and, in particular, the depositor shall not be entitled to claim any set-off or relief in any assessment, re-assessment, appeal, reference or other proceeding under that Act or to re-open any assessment or re-assessment made under that Act on the ground that he has made such deposit.

43 of 1961.

*Explanation.*—For the avoidance of doubt, it is hereby declared that the provisions of the Income-tax Act, 1961 will apply to any income which accrues or arises or is deemed to accrue or arise to the depositor from the amount of the net deposit;

27 of 1957.

(b) the deposit shall not form part of the assets of any assessee for the purposes of computing his net wealth under the Wealth-tax Act, 1957 in relation to any assessment year commencing before the 1st day of April, 1992.

5. In the National Housing Bank Act, 1987.—

Amend-  
ment of  
Act 53 of  
1987.

(a) in section 14,—

(i) in clause (b), after the words “scheduled banks”, the words “or to any authority established by or under any Central, State or Provincial Act and engaged in slum clearance” shall be inserted;

(ii) after clause (h), the following clause shall be inserted, namely:—

“(hh) formulating a scheme for the purpose of accepting deposits referred to in clause (a) of section 2 of the Voluntary Deposits (Immunities and Exemptions) Act, 1991 and crediting forty per cent. of the amount of such deposits to a special fund created under section 37;”;

(b) in section 15, in sub-section (1), to clause (c), the following proviso shall be added, namely:—

“Provided that nothing contained in this clause shall apply to deposits accepted under the scheme formulated by the Bank in pursuance of clause (hh) of section 14;”;

(c) in section 55, in sub-section (5), for the word “regulation”, wherever it occurs, the words “regulation or scheme” shall be substituted.

## STATEMENT OF OBJECTS AND REASONS

With a view to canalising for certain social objective black money which has become a serious threat to the national economy, the Government has decided to allow voluntary deposits being made with the National Housing Bank in accordance with a scheme to be formulated by the Bank, 40 per cent, of the amount of such deposits will be credited by the National Housing Bank to a special fund, created under the National Housing Bank Act, 1987, for financing slum clearance and low cost housing for the poor and 60 per cent. of the amount of such deposits can be utilised by the depositors for purposes specified by them. It is considered necessary to provide for certain immunities and exemptions to render it possible for persons in possession of black money to make such deposits.

2. The Bill seeks to achieve the above objects.

NEW DELHI;  
*The 3rd September, 1991.*

MANMOHAN SINGH

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PRESIDENT'S RECOMMENDATION UNDER ARTICLES  
117 AND 274 OF THE CONSTITUTION OF INDIA

[Copy of letter dated 4th September, 1991 from Dr. Manmohan Singh, Minister of Finance, to the Secretary-General, Lok Sabha]

The President, having been informed of the proposed Bill for institution of a Scheme for mobilising the Black money for achieving social objectives of slum clearance and low cost housing for the poor and for providing certain immunities and exemptions to enable persons to make deposits in the said scheme and for matters connected therewith or incidental thereto, recommends under clause (1) of article 117 and clause (1) of article 274 of the Constitution, introduction of the above Bill in Lok Sabha.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 5 of the Bill seeks to insert a new clause (*hh*) in section 14 of the National Housing Bank Act, 1987. The said new clause (*hh*) empowers the National Housing Bank to formulate a scheme for the purposes of accepting deposits referred to in clause 2(a) of the Bill and crediting 40 per cent of the amount of such deposits to a special fund created under that Act. The scheme will also contain other details relating to application forms for making deposits and withdrawal, etc.

2. The matters in respect of which the scheme is to be formulated by the National Housing Bank are matters of administrative detail and procedure and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

## BILL No. 152 OF 1991

*A Bill further to amend the Indian Electricity Act, 1910 and the Electricity (Supply) Act, 1948.*

BE it enacted by Parliament in the Forty-second Year of the Republic of India as follows:—

Short  
title  
and com-  
mence-  
ment.

1. (1) This Act may be called the Electricity Laws (Amendment) Act, 1991.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amend-  
ment of  
section 6  
of Act 9  
of 1910.  
Amend-  
ment of  
section 2.

2. In section 6 of the Indian Electricity Act, 1910, in clause (b) of sub-section (1), for the words "twenty" and "ten", the words "thirty" and "twenty" shall, respectively, be substituted.

3. In section 2 of the Electricity (Supply) Act, 1948 (hereinafter referred to as the principal Act),—

54 of 1948.

(i) after clause (3), the following clause shall be inserted, namely:—

‘(3A) “competent government” means the Central Government in respect of a Generating Company wholly or partly owned by it and in all other cases the Government of the State in which the generating station of a Generating Company is located or proposed to be located;’;

(ii) for clause (4A), the following clause shall be substituted, namely:—

1 of 1956.

“(4A) “Generating Company” means a company registered under the Companies Act, 1956 and which has among its objects the establishment, operation and maintenance of generating stations;”

(iii) after clause (9), the following clauses shall be inserted, namely:—

“(9A) “Regional Electricity Board” means any of the Boards as constituted immediately before the commencement of the Electricity Law (Amendment) Act, 1991, by resolution of the Central Government for ensuring integrated operation of constituent system in the region;

“(9B) “Regional Load Despatch Centre” means the Centre so designated where the operation of each of the Regional Electricity Grids constituting the country’s power system is co-ordinated;”

4. In section 15A of the principal Act,—

Amend-  
ment of  
section  
15A.

(i) the word “Formation,” occurring in the marginal heading, and sub-section (1) shall be omitted;

(ii) for sub-sections (2) and (3), the following sub-sections shall be substituted, namely:—

“(2) The objects of a Generating Company shall include—

(a) establishment, operation and maintenance of generating stations and tie-lines, sub-stations and main transmission lines connected therewith;

(b) operation and maintenance of such generating stations, tie-lines, sub-stations and main transmission lines as are assigned to it by the competent government or governments.

(3) The Generating Company shall carry on its activities within such areas as the competent government or governments as the case may be, may, from time to time, specify in this behalf.”;

(iii) sub-section (4), (6) and (7) shall be omitted.

5. In section 18A of the principal Act, in sub-section (1), for the words “promoting government or promoting governments” at both the places where they occur, the words “competent government or governments” shall be substituted.

Amend-  
ment of  
section  
18A.

6. In section 29 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

Amend-  
ment of  
section  
29.

“(1) Every scheme estimated to involve a capital expenditure exceeding such sum, as may be fixed by the Central Government, from time to time, by notification in the Official

Gazette, shall, as soon as may be after it is prepared, be submitted to the Authority for its concurrence.”;

(ii) in sub-section (4), in the proviso, for the words “promoting government or one of the promoting governments”, the words “competent government or one of the competent governments” shall be substituted.

Amendment of section 30.

7. In section 30 of the principal Act, in clause (g), the words “and such other directions as may be given by the Central Government” shall be added at the end.

Amendment of section 31.

8. In section 31 of the principal Act, in sub-section (1), in the proviso, for the words “the promoting government or one of the promoting governments”, the words “competent government or one of the competent governments” shall be substituted.

Amendment of section 39.

9. In section 39 of the principal Act,—

(i) in sub-section (2), in the proviso, for the words “promoting government or one of the promoting governments”, the words “competent government or one of the competent governments” shall be substituted;

(ii) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) For the purposes of this section, no direction shall be issued to a Generating Company wholly or partly owned by the Central Government unless and until the prior concurrence of that Government is obtained.”.

Amendment of section 43.

10. In section 43 of the principal Act, sub-section (3) shall be omitted.

Insertion of new section 43A. Terms, conditions and tariff for sale of electricity by Generating Company.

11. After section 43 of the principal Act, the following section shall be inserted, namely:—

“43A. (1) A Generating Company may enter into a contract for the sale of electricity generated by it—

(a) with the Board constituted for the State or any of the States in which a generating station owned or operated by the company is located;

(b) with the Board constituted for any other State in which it is carrying on its activities in pursuance of sub-section (3) of section 15A; and

(c) with any other person with consent of the competent Government or Governments.

(2) The tariff for the sale of electricity by a Generating Company to the Board shall be determined in accordance with the norms regarding operation and the Plant Load Factor as may be laid down by the Authority and in accordance with the rates of depreciation and reasonable return and such other factors as may be determined, from time to time, by the Central Government by notification in the Official Gazette:



Provided that the terms, conditions and tariff for such sale shall, in respect of a Generating Company wholly or partly owned by the Central Government, be such as may be determined by the Central Government and in respect of a Generating Company wholly or partly owned by one or more State Governments be such as may be determined, from time to time, by the government or governments concerned.”.

12. For section 55 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 55.

“55. (1) Every licensee shall comply with such reasonable directions as the Board may, from time to time, give him for the purpose of achieving the maximum economy and efficiency in the operation of his undertaking or any part thereof.

Compliance of directions of the Regional Electricity Board, etc., by licenses or Generating Companies.

(2) Every licensee or Generating Company shall follow all the directions of the Regional Electricity Boards and shall conduct their operations in accordance with the instructions of the Regional Load Despatch Centre so as to ensure integrated grid operations.

(3) If any dispute arises with reference to the integrated grid operations as to whether any direction given under sub-section (1) or sub-section (2), is reasonable or not, it shall be referred to the Authority, whose decision thereon shall be final; so, however, pending the decision of the Authority, directions of the Regional Electricity Boards or the Regional Load Despatch Centres shall prevail in the interest of smooth operation of the integrated grid.”.

13. In section 75A of the principal Act,—

Amendment of section 75A.

(i) sub-section (1) shall be omitted;

(ii) in sub-section (2), for the word “promoting” wherever it occurs, the word “competent” shall be substituted;

(iii) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) For the purpose of preparing the statement of accounts referred to in sub-section (2), the depreciation to be provided every year shall be calculated at such rate as may be specified by the Central Government, by notification in the Official Gazette, in accordance with the provisions of section 43A.”;

(iv) sub-section (3A) shall be omitted;

(v) in sub-section (4), for the words, brackets and figure “sub-sections (1) and”, the word “sub-section” shall be substituted.

14. In the Sixth Schedule to the principal Act, in paragraph XVII,—

Amendment of Sixth Schedule.

(i) in sub-paragraph (2), in clause (c), after sub-clause (va), the following sub-clause shall be inserted, namely:—

“(vb) debt redemption obligation of the private licensees which may be done on a year to year basis, taking into account

the requirements of debt redemption and resource generation through depreciation, retained surplus;”;

(ii) in sub-paragraph (6), for clause (b), the following clause shall be substituted, namely:—

“(b) interest charges on capital expenditure incurred during the period between the date of grant of the license and the date when the undertaking commences supply, from borrowed money and property attributable to the assets as actually accrued up to the date of such supply, as well as interest incurred on outlays for subsequent expansions;”;

(iii) in sub-paragraph (10), in clause (b), for the words “part of capital base for that year, the Reserve Bank rate ruling at the beginning of that year, *plus two per centum*,” the following words, brackets and figures shall be substituted, namely:—

“capital base for that year, the Reserve Bank rate ruling at the beginning of that year *plus—*

(i) *two per centum* for investments made up to the date of the commencement of the Electricity Laws (Amendment) Act, 1991; and

(ii) *five per centum* for investments made thereafter.”.

### STATEMENT OF OBJECTS AND REASONS

The Indian Electricity Act, 1910 deals with the supply and use of electrical energy and the rights and obligations of the licensees. The Electricity (Supply) Act, 1948 deals with the statutory powers and functions of the Central Electricity Authority, State Electricity Boards and Generating Companies.

2. It is proposed to widen the scope of private sector participation in power generation, supply and distribution by suitably amending the aforesaid Acts. The main amendments are as follows,—

(a) Section 6 of the Indian Electricity Act, 1910 which deals with the period of license is sought to be amended to enhance the said period of license to 30 years followed by subsequent extensions for 20 years at a time. This will ensure reasonable stability in the operation of the license.

(b) Section 2 of the Electricity (Supply) Act, 1948 (hereinafter referred to as the said Act), which defines various expressions, is proposed to be amended to give effect to certain change in the definitions and also to define certain new expressions. Clause (4A) is proposed to be substituted to remove the exclusion of private sector from the definition of "Generating Company", as it permits only the companies formed by the Central Government or by any State Government or jointly by the Central Government and one or more State Governments.

(c) Section 15A of the said Act which deals with the formation, objects, etc., of Generating Companies is proposed to be amended so as to provide for the establishment of Generating Companies in the private sector as well as in the joint sector.

(d) Section 29 of the said Act which deals with the submission of schemes involving capital expenditure exceeding rupees five crores to the Central Electricity Authority is proposed to be amended in the interest of flexibility, keeping in view the escalation in the cost of projects and to provide for revision from time to time of the prescribed limit of project cost requiring such clearance.

(e) A new section 43A is proposed to be inserted to the said Act to provide for the terms and conditions and tariff for sale of electricity by the Generating Companies.

(f) Section 55 of the said Act which provides for the licensees' compliance with the Board's directions is proposed to be amended to ensure that the licensees as well as Generating Companies shall comply with the directions issued by the designated coordinating agencies in the matter of generation and supply of power.

(g) Paragraph XVII(10), (b) of Schedule VI to the said Act is proposed to be amended to raise the standard rate from the

existing level of 2 per cent over the Reserve Bank of India rate to 5 per cent. over the Reserve Bank of India rate to motivate equity investment in the power projects set up by licensee companies.

3. The Bill seeks to achieve the above objects.

NEW DELHI;

KALP NATH RAI.

*The 30th August, 1991.*

BILL NO. 154 OF 1991

*A Bill further to amend the Public Debt Act, 1944.*

BE it enacted by Parliament in the Forty-second Year of the Republic of India as follows:—

1. This Act may be called the Public Debt (Amendment) Act, 1991.

Short  
title.

18 of 1944.

2. After section 24 of the Public Debt Act, 1944, the following section shall be inserted, namely:—

Insertion  
of new  
section  
24A.

“24A. Notwithstanding anything contained in this Act or in any other law for the time being in force, every person holding the Special Bearer Bonds, 1991, issued by the Central Government, shall present the Bonds for payment within a period of one hundred and eighty days from—

Time-  
limit for  
present-  
ing Special  
Bearer  
Bonds,  
1991.

(a) the date on which the Public Debt (Amendment) Bill, 1991 receives the assent of the President, or

(b) the date of the maturity of the Bonds,

whichever is later:

Provided that if the Central Government is satisfied that the person holding the Bonds was prevented by sufficient cause from presenting the Bonds within the said period of one hundred and eighty days, it may allow such person to present the Bonds within such further reasonable period as it may deem fit:

Provided further that the Central Government shall, before making any order under the preceding proviso against the person holding the Bonds, give him a reasonable opportunity of being heard.”.

## STATEMENT OF OBJECTS AND REASONS

The Special Bearer Bonds, 1991 were issued in 1981-82 in the form of Government security prescribed under the Public Debt Act, 1944. No period of limitation for redemption of a Government security is specified under this Act. The Special Bearer Bonds (Immunities and Exemptions) Act, 1981 provided general immunities and exemptions to persons who had subscribed to or otherwise acquired the said Bonds. It is now considered necessary that a period of limitation may be specified for redemption of the said Bonds, so that exemption from income-tax, wealth-tax and gift-tax and other immunities do not continue indefinitely.

2. The Bill seeks to achieve the above object.

NEW DELHI;

*The 5th September, 1991.*

MANMOHAN SINGH.

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K. C. RASTOGI,  
*Secretary-General.*

